

<i>SERFF Tracking Number:</i>	<i>FFDC-125273096</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>The American Insurance Company</i>	<i>State Tracking Number:</i>	<i>AR-PC-07-026012</i>
<i>Company Tracking Number:</i>	<i>TANE DPL AR 11 07 RR</i>		
<i>TOI:</i>	<i>11.0 Medical Malpractice - Claims</i>	<i>Sub-TOI:</i>	<i>11.0030 Dentists</i>
	<i>Made/Occurrence</i>		
<i>Product Name:</i>	<i>Dental Professional Liability</i>		
<i>Project Name/Number:</i>	<i>2007 Dental RR Filings/TANE DPL 2007 RR</i>		

## Filing at a Glance

Company: The American Insurance Company		
Product Name: Dental Professional Liability	SERFF Tr Num: FFDC-125273096	State: Arkansas
TOI: 11.0 Medical Malpractice - Claims	SERFF Status: Closed	State Tr Num: AR-PC-07-026012
Made/Occurrence		
Sub-TOI: 11.0030 Dentists	Co Tr Num: TANE DPL AR 11 07 RR	State Status:
Filing Type: Rate	Co Status:	Reviewer(s): Betty Montesi, Edith Roberts, Brittany Yielding
	Author: Diane Sowell	Disposition Date: 11/06/2007
	Date Submitted: 09/05/2007	Disposition Status: Filed
Effective Date Requested (New): 11/15/2007		Effective Date (New):
Effective Date Requested (Renewal): 11/15/2007		Effective Date (Renewal):

## General Information

Project Name: 2007 Dental RR Filings	Status of Filing in Domicile:
Project Number: TANE DPL 2007 RR	Domicile Status Comments:
Reference Organization:	Reference Number:
Reference Title:	Advisory Org. Circular:
Filing Status Changed: 11/06/2007	
State Status Changed: 09/06/2007	Deemer Date:
Corresponding Filing Tracking Number:	
Filing Description:	
The American Insurance Company submits for your review and approval revised rates and rules designed for use with our Dentist's Professional Liability Program.	

In conjunction with the rate filing, we have redesigned our State Exception Pages. These changes are detailed in our actuarial and rule memorandums. The overall rate effective of the changes is an increase of 14.4% for the Occurrence and Claims-Made businesses.

SERFF Tracking Number:	FFDC-125273096	State:	Arkansas
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In support of this revision you will find our actuarial memorandum and exhibits, our countrywide rules and rate manual, and our revised exception pages.

## Company and Contact

### Filing Contact Information

Diane Sowell,	dsowell@ffic.com
33 W. Monroe Street	(312) 456-5146 [Phone]
Chicago, IL 60603	() -[FAX]

### Filing Company Information

The American Insurance Company	CoCode: 21857	State of Domicile: Nebraska
777 San Marin Drive	Group Code: 761	Company Type:
Novato, CA 94998	Group Name:	State ID Number:
(415) 899-2817 ext. [Phone]	FEIN Number: 22-0731810	
	-----	

## Filing Fees

Fee Required?	Yes
Fee Amount:	\$100.00
Retaliatory?	No
Fee Explanation:	
Per Company:	No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
The American Insurance Company	\$0.00	09/05/2007	

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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Filed	Edith Roberts	11/06/2007	11/06/2007

### Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Edith Roberts	10/31/2007	10/31/2007	Diane Sowell	11/06/2007	11/06/2007

<i>SERFF Tracking Number:</i>	<i>FFDC-125273096</i>	<i>State:</i>	<i>Arkansas</i>
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<i>TOI:</i>	<i>11.0 Medical Malpractice - Claims Made/Occurrence</i>	<i>Sub-TOI:</i>	<i>11.0030 Dentists</i>
<i>Product Name:</i>	<i>Dental Professional Liability</i>		
<i>Project Name/Number:</i>	<i>2007 Dental RR Filings/TANE DPL 2007 RR</i>		

## Disposition

Disposition Date: 11/06/2007

Effective Date (New):

Effective Date (Renewal):

Status: Filed

Comment:

Company Name:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Premium:	Maximum % Change (where required):	Minimum % Change (where required):	Overall % Indicated Change:
The American Insurance Company	14.400%	\$9,694	46	\$67,315	%	%	%

SERFF Tracking Number: FFDC-125273096 State: Arkansas

Filing Company: The American Insurance Company State Tracking Number: AR-PC-07-026012

Company Tracking Number: TANE DPL AR 11 07 RR

TOI: 11.0 Medical Malpractice - Claims Sub-TOI: 11.0030 Dentists  
Made/Occurrence

Product Name: Dental Professional Liability

Project Name/Number: 2007 Dental RR Filings/TANE DPL 2007 RR

Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Filed	Yes
Supporting Document	NAIC Loss Cost Filing Forms (all P&C lines)	Filed	Yes
Supporting Document	NAIC loss cost data entry document	Filed	Yes
Supporting Document	Form PROMAL	Filed	Yes
Supporting Document	Form PRONOT	Filed	Yes
Supporting Document	Actuarial Memorandum	Filed	Yes
Supporting Document	Actuarial Exhibits	Filed	Yes
Supporting Document	Rule Memorandum	Filed	Yes
Supporting Document	RF1	Filed	Yes
Supporting Document	Med Mal Survey	Filed	Yes
Rate	Exception Pages	Filed	Yes

SERFF Tracking Number: FFDC-125273096 State: Arkansas  
Filing Company: The American Insurance Company State Tracking Number: AR-PC-07-026012  
Company Tracking Number: TANE DPL AR 11 07 RR  
TOI: 11.0 Medical Malpractice - Claims Sub-TOI: 11.0030 Dentists  
Made/Occurrence  
Product Name: Dental Professional Liability  
Project Name/Number: 2007 Dental RR Filings/TANE DPL 2007 RR

## Objection Letter

Objection Letter Status Pending Industry Response  
Objection Letter Date 10/31/2007  
Submitted Date 10/31/2007  
Respond By Date  
Dear Diane Sowell,

This will acknowledge receipt of the captioned filing.

This filing is incomplete. You must complete the Med Mal Survey form, in EXCEL format. You can obtain the survey form at the following site address:

<http://www.insurance.arkansas.gov/PandC/RR23Forms/MM%20Survey%20FORM%20MMPCS.xls>

Also , you must complete the RF-1 abstract or the Form PC-RLC that is required under Rule & Regulation 23. This form may be accessed here:

<http://www.insurance.arkansas.gov/PandC/RR23Forms/FORM%20RF-1%20Rate%20Filing%20Abstract.doc>

Please chose "RF-1" which will direct you to Form PC RLC. Please disregard the title "NAIC Loss Cost Data Entry Document". Under #2, please indicate this IS NOT a "Loss Cost" filing.

Also, you must provide an impact statement in accordance with Bulletin 2-2003, Act 649, Civil Justice Reform Act of 2003.

Sincerely,

Please feel free to contact me if you have questions.

Sincerely,  
Edith Roberts

## Response Letter

Response Letter Status Submitted to State

<i>SERFF Tracking Number:</i>	<i>FFDC-125273096</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>The American Insurance Company</i>	<i>State Tracking Number:</i>	<i>AR-PC-07-026012</i>
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<i>TOI:</i>	<i>11.0 Medical Malpractice - Claims</i>	<i>Sub-TOI:</i>	<i>11.0030 Dentists</i>
	<i>Made/Occurrence</i>		
<i>Product Name:</i>	<i>Dental Professional Liability</i>		
<i>Project Name/Number:</i>	<i>2007 Dental RR Filings/TANE DPL 2007 RR</i>		
<b>Response Letter Date</b>	<b>11/06/2007</b>		
<b>Submitted Date</b>	<b>11/06/2007</b>		

SERFF Tracking Number: FFDC-125273096 State: Arkansas  
Filing Company: The American Insurance Company State Tracking Number: AR-PC-07-026012  
Company Tracking Number: TANE DPL AR 11 07 RR  
TOI: 11.0 Medical Malpractice - Claims Sub-TOI: 11.0030 Dentists  
Made/Occurrence  
Product Name: Dental Professional Liability  
Project Name/Number: 2007 Dental RR Filings/TANE DPL 2007 RR

Dear Edith Roberts,

**Comments:**

**Response 1**

Comments: Impact Statement:

The originally submitted actuarial exhibits considers past and prospective loss and expense experience both within Arkansas and countrywide. Five years of experience for the Dental class of business is shown. Due to the insufficient credibility of Arkansas data, we have used the countrywide loss ratio for credibility-weighting purposes since this program is a countrywide program with countrywide rates. The standard for full credibility is 683 claims and the credibility assigned to Arkansas data is given by the following formula:

Arkansas Credibility = Minimum of 1.00 or  $\{\text{Total Arkansas Claims} / 683\}^{0.5}$ .

Classification of risks is not based on race, color, creed, or national origin of risk. The expense provisions reflect actual and anticipated expense experience. Investment income is considered in the derivation of the profit provision.

**Changed Items:**

**Supporting Document Schedule Item Changes**

Satisfied -Name: RF1

Comment:

Satisfied -Name: Med Mal Survey

Comment:

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Sincerely,  
Diane Sowell



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## Rate Information

Rate data applies to filing.

<b>Filing Method:</b>	Use & File
<b>Rate Change Type:</b>	Increase
<b>Overall Percentage of Last Rate Revision:</b>	26.100%
<b>Effective Date of Last Rate Revision:</b>	10/19/2006
<b>Filing Method of Last Filing:</b>	Use & File

## Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Premium:	Maximum % Change (where required):	Minimum % Change (where required):
The American Insurance Company	%	14.400%	\$9,694	46	\$67,315	%	%

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## Rate/Rule Schedule

<b>Review Status:</b>	<b>Exhibit Name:</b>	<b>Rule # or Page #:</b>	<b>Rate Action</b>	<b>Previous State Filing Number:</b>	<b>Attachments</b>
Filed	Exception Pages	1 thru 5	Replacement	AR-PC-06-020686	AR_State Exception Pages 07.pdf

**FIREMAN'S FUND INSURANCE COMPANIES  
DENTAL PROFESSIONALS PROGRAM BUSINESS LIABILITY PLAN  
STATE EXCEPTION PAGES  
ARKANSAS (03)**

**I. Rating Territories:**

Territory I: Entire State

**II. Dental Practitioner Rates:**

**1. Premium Rate Tables:**

**MATURE CLAIMS MADE RATES**

(\$1,000,000/\$3,000,000 Limits)

Dental Classification	Territory I
I	\$1,520
II	\$1,900
III	\$2,280
IV	\$3,040
V	\$12,160

**OCCURRENCE RATES**

(\$1,000,000/\$3,000,000 Limits)

Dental Classification	Territory I
I	\$1,689
II	\$2,111
III	\$2,534
IV	\$3,378
V	\$13,512

**2. Claims-Made Step Factors**

These factors apply to the mature claims-made rate:

Years of Claims-Made Coverage		Dentists	Oral Surgeons
Claims-Made Year	# of Days	Step Factors	Step Factors
Year 1	0 - 182	0.29	0.29
Year 2	183 - 547	0.54	0.54
Year 3	548 - 912	0.73	0.73
Year 4	913 - 1277	0.81	0.81
Year 5	1278 - 1642	0.90	0.90
Mature Claims-Made	1643 +	1.00	1.00

**FIREMAN'S FUND INSURANCE COMPANIES  
DENTAL PROFESSIONALS PROGRAM BUSINESS LIABILITY PLAN  
STATE EXCEPTION PAGES  
ARKANSAS (03)**

**3. Increase / Decrease Limits**

The following increase limit factors shall apply to occurrence and claims-made coverages as follows:

Option	Limit of Liability (Professional)	Increase / Decrease Factors Dentists	Increase / Decrease Factors Oral Surgeons
A	\$100,000 / \$300,000	0.782	0.500
B	\$200,000 / \$600,000	0.890	0.625
C	\$500,000 / \$1,500,000	0.946	0.813
D	\$1,000,000 / \$3,000,000	1.000	1.000
E	\$2,000,000 / \$6,000,000	1.150	1.206
F	\$3,000,000 / \$6,000,000	1.250	1.309
G	\$4,000,000 / \$6,000,000	1.300	1.377
H	\$5,000,000 / \$6,000,000	1.350	1.428

**III. Amended Rules**

1. The following amendments are made under Section **A. GENERAL GUIDELINES**:

- A. Rule **8. Location of Practice/Exposure** is amended by addition of the following:

- subject to The Department of Insurance approval.

- B. Rule **9. Restrictions of Coverage or Increased Rate** is amended by addition of the following:

- subject to The Department of Insurance approval.

- C. Rule **10., c. Unlimited Extended Reporting Coverage** the following is added:

In the event of coverage termination, automatic extended reporting period (ERP) coverage will be granted for 60 days to the Named Insured at no additional charge.

The Named Insured will have the option to purchase additional ERP coverage in accordance with the policy provisions if:

The claims-made relationship (the period of time between the effective date of the first issued policy and the termination of the last consecutive policy):

1. there has been no gap in coverage; and
2. does not include any period covered by ERP coverage of one year or more.

The premium shall be calculated according to Rule **c. 8**.

The provisions of the ERP coverage will not apply, except for the 60 day automatic ERP:

1. if the claims-made relationship has been less than one year; and
2. if the policy has been terminated for nonpayment of premium or fraud.

**FIREMAN'S FUND INSURANCE COMPANIES  
DENTAL PROFESSIONALS PROGRAM BUSINESS LIABILITY PLAN  
STATE EXCEPTION PAGES  
ARKANSAS (03)**

2. Under section **B. DENTAL CLASSIFICATIONS**, the following revisions are made:

A. Subsection **b. Classification Plan** is deleted and replaced with the following:

**b. Classification Plan:**

Dental Practitioner classifications shall be determined based upon their level of practice exposure as reflected in the area of practice, administration and types of anesthetic agents used and environment in which they are administered. Use the following table of Dental Practitioner Classifications to determine the appropriate premium class.

If more than one classification applies, the highest rated classification shall be used for premium rating.

**All percentages are based upon the *number* of procedures performed in the practice.**

<b>Class 1</b>	<b>DENTAL CLASS I NON-INVASIVE OR MINIMALLY INVASIVE PROCEDURES AND SELECT SPECIALTIES</b>
	<b>Specialists:</b>
	Endodontist
	Orthodontist (simple extractions up to 25% of procedures)
	Public Health Dentist
	Periodontist (surgical placement of implants up to 25% of procedures)
	Prosthodontist (surgical placement of implants up to 25% of procedures)
	Pediatric Dentist
	Oral Pathologist
	<b>General Dentists performing the following procedures:</b>
	Diagnostic
	Preventative
	Restorative
	Non-surgical TMJ treatments – mouth guards and splints
	Cosmetic whitening, veneers
	Restorative Implants up to 15% of practice (based on number of procedures)
	Endodontia – up to 25% of practice (based on number of procedures)
	Prosthodontia – up to 25% of practice (based on number of procedures)
	Periodontia – up to 25% of practice (based on number of procedures)
	Oral surgery (up to 25% of total practice, based on number or procedures; simple extractions only, no full bony or partial bony impactions)
	This classification applies to all DDS's or DMD's who are Board Eligible or Certified Specialists in the above areas; or are General Practitioners and who use local, nitrous oxide or oral conscious sedation. This classification also applies to all dentists who provide services to patients who have been administered deep sedation or general anesthesia in their office, or in a hospital, or surgi-center by an MD / nurse anesthetist, dentist anesthetist, or oral surgeon not in their employ.
<b>Class 2</b>	<b>DENTAL PROCEDURES LEVEL II &amp; SPECIALIZED AREAS OF PRACTICE/PROCEDURES:</b>
	<b>Applies to all General Dentists:</b>
	With 25% or greater percentage of practice (in any one category) in the specialty areas of Prosthodontics and/or Endodontics, surgical Periodontal procedures, Orthodontics or oral surgery ( <i>simple extractions only, no extractions of full or partial bony impacted teeth</i> ).
	For classification purposes all dentists whose procedures exceed 25% or more in the above specialized areas of practice will be rated under this classification.

**FIREMAN'S FUND INSURANCE COMPANIES  
DENTAL PROFESSIONALS PROGRAM BUSINESS LIABILITY PLAN  
STATE EXCEPTION PAGES  
ARKANSAS (03)**

<b>Class 3</b>	<b>DENTAL PROCEDURES LEVEL III &amp; SPECIALIZED AREAS OF PRACTICE/PROCEDURES:</b>	
	<b>Applies to all Specialists (except Oral Surgeons) and General Dentists:</b>	
	Extractions of full or partial bony impacted teeth	
	<b>Applies to all General Dentists:</b>	
	Implant restorations that exceed 15% of the total practice	
	This classification applies to all General Dentists DDS's or DMD's whose practice specializes in providing implants. For classification purposes all insureds that treat 15% or more of their patients for implants will be rated under this classification.	
<b>Class 4</b>	<b>ANESTHESIA CLASS (CURRENTLY CLASS II OR B)</b>	
	Anesthesia	I.V. Conscious Sedation I.M. Conscious Sedation Sub-cutaneous conscious sedation
	Anesthesia: This classification contemplated the insured dentist administering the sedation and performing the dental procedure.	
<b>Class 5</b>	<b>Oral &amp; Maxillofacial Surgeons and Dentist Anesthesiologists</b>	
	Anesthesia	In-Office Includes General Anesthesia
	This classification applies to all Oral Surgeons and Dental Anesthesiologists. This classification would also apply to any DDS or DMD who administer and treat patients under I.V. or I.M. conscious sedation or deep sedation or general anesthesia in their office. Proof of their education and training would need to be secured prior to proceeding (see comments under General Anesthesia).	

- B. Rule **3. Limited Clinical Practice**, 3. a. **Part-Time Practitioner** is deleted and replaced by the following:

Dentists who practice 20 hours or less a week will be eligible for part-time status at 40% premium credit.

- C. Rule **4. Additional Classifications**, the following rules are added:

- e. A 20% charge may be applied to Dentists other than oral surgeons who perform minor surgical procedures.
- f. 15% charge to any general dentist whose practice procedures include the following specialties combined more than 51%:

Endodontia	Extractions
Periodontia	Oral Pathology
Orthodontia	Gnathology
Pedodontia	Surgical implant placement
Prosthodontia	Oral Surgery
TMJ Treatment (not including mouth-guards/splints)	

3. The following amendments are made under Section **C. ADDITIONAL COVERAGE / RATING RULES**:

- A. Rule **1. Individual Risk Premium Modification Plan** is amended as follows:

The maximum modification for professional liability premiums for dental practitioners may not exceed 50% for credits and/or debits.

**FIREMAN'S FUND INSURANCE COMPANIES  
DENTAL PROFESSIONALS PROGRAM BUSINESS LIABILITY PLAN  
STATE EXCEPTION PAGES  
ARKANSAS (03)**

B. The following rule is added:

Claim-Free Discount

A claim-free discount of 10% shall be applied. To be eligible, the following criteria must be met:

No claim of \$500 or more incurred indemnity in the last 5 years.

Note: a combination of a maximum of 2 claims is allowable for this discount.

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TOI:	11.0 Medical Malpractice - Claims	Sub-TOI:	11.0030 Dentists
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Project Name/Number:	2007 Dental RR Filings/TANE DPL 2007 RR		

## Supporting Document Schedules

<b>Satisfied -Name:</b>	Uniform Transmittal Document-Property & Casualty	<b>Review Status:</b>	Filed	11/06/2007
<b>Comments:</b>				
<b>Attachment:</b>	Transmittal Document.pdf			

<b>Bypassed -Name:</b>	NAIC Loss Cost Filing Forms (all P&C lines)	<b>Review Status:</b>	Filed	11/06/2007
<b>Bypass Reason:</b>	Not Applicable.			
<b>Comments:</b>				

<b>Bypassed -Name:</b>	NAIC loss cost data entry document	<b>Review Status:</b>	Filed	11/06/2007
<b>Bypass Reason:</b>	Not Applicable.			
<b>Comments:</b>				

<b>Bypassed -Name:</b>	Form PROMAL	<b>Review Status:</b>	Filed	11/06/2007
<b>Bypass Reason:</b>	The overall rate change for this filing is 14.4%.			
<b>Comments:</b>				

<b>Bypassed -Name:</b>	Form PRONOT	<b>Review Status:</b>	Filed	11/06/2007
<b>Bypass Reason:</b>	The overall rate change for this filing is 14.4%.			
<b>Comments:</b>				

<b>Satisfied -Name:</b>	Actuarial Memorandum	<b>Review Status:</b>	Filed	11/06/2007
<b>Comments:</b>				



<i>SERFF Tracking Number:</i>	<i>FFDC-125273096</i>	<i>State:</i>	<i>Arkansas</i>
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**Attachment:**

Actuarial Memo.pdf

SERFF Tracking Number: FFDC-125273096 State: Arkansas  
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TOI: 11.0 Medical Malpractice - Claims Sub-TOI: 11.0030 Dentists  
Made/Occurrence  
Product Name: Dental Professional Liability  
Project Name/Number: 2007 Dental RR Filings/TANE DPL 2007 RR

**Review Status:**  
**Satisfied -Name:** Actuarial Exhibits Filed 11/06/2007  
**Comments:**  
**Attachment:**  
Actuarial Exhibits.pdf

**Review Status:**  
**Satisfied -Name:** Rule Memorandum Filed 11/06/2007  
**Comments:**  
**Attachment:**  
AR\_Rate & Rule Memo 07.pdf

**Review Status:**  
**Satisfied -Name:** RF1 Filed 11/06/2007  
**Comments:**  
**Attachment:**  
RF1.pdf

**Review Status:**  
**Satisfied -Name:** Med Mal Survey Filed 11/06/2007  
**Comments:**  
**Attachment:**  
2007 Malpractice Premium Comparision Survey Form AR.xls

## Property & Casualty Transmittal Document

<b>1. Reserved for Insurance Dept. Use Only</b>	<b>2. Insurance Department Use only</b> a. Date the filing is received: b. Analyst: c. Disposition: d. Date of disposition of the filing: e. Effective date of filing: <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;">New Business</div> <div style="width: 55%;"></div> </div> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;">Renewal Business</div> <div style="width: 55%;"></div> </div> f. State Filing #: g. SERFF Filing #: h. Subject Codes
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<b>3.</b>	<b>Group Name</b>	<b>Group NAIC #</b>
	Fireman's Fund Insurance Companies	0761

4.	Company Name(s)	Domicile	NAIC #	FEIN #	State #
	The American Insurance Company	NE	21857	22-0731810	N/A

<b>5. Company Tracking Number</b>	<b>TANE DPL AR 11 07 RR</b>
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**Contact Info of Filer(s) or Corporate Officer(s)** [include toll-free number]

6.	Name and address	Title	Telephone #s	FAX #	e-mail
	Diane Sowell 33 W. Monroe Street Chicago, IL 60603	Analyst	312-456-5146	866-613-6395	dsowell@ffic.com

7.	Signature of authorized filer	
8.	Please print name of authorized filer	Diane Sowell

**Filing information** (see General Instructions for descriptions of these fields)

9.	Type of Insurance (TOI)	Medical Malpractice – Claims Made and Occurrence
10.	Sub-Type of Insurance (Sub-TOI)	Dentists
11.	State Specific Product code(s)(if applicable)[See State Specific Requirements]	
12.	Company Program Title (Marketing title)	Dentist's Professional Liability
13.	Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input checked="" type="checkbox"/> Rates/Rules <input type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
14.	Effective Date(s) Requested	New: 11/15/2007    Renewal: 11/15/2007

## Property & Casualty Transmittal Document---

<b>15.</b>	<b>Reference Filing?</b>	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
<b>16.</b>	<b>Reference Organization</b> (if applicable)			
<b>17.</b>	<b>Reference Organization # &amp; Title</b>			
<b>18.</b>	<b>Company's Date of Filing</b>	08/31/2007		
<b>19.</b>	<b>Status of filing in domicile</b>	<input type="checkbox"/> Not Filed	<input checked="" type="checkbox"/> Pending	<input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

<b>20.</b>	<b>This filing transmittal is part of Company Tracking #</b>	TANE DPL AR 11 07 RR
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<b>21.</b>	<b>Filing Description</b> [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
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The American Insurance Company submits for your review and approval revised rates and rules designed for use with our Dentist's Professional Liability program.

In conjunction with the rate filing, we have redesigned our State Exception Pages. These changes are detailed in our actuarial and rule memorandums. The overall rate effect of the changes is an increase of 14.4% for the Occurrence and Claims-Made businesses.

In support of this revision you will find our actuarial memorandum and exhibits, our countrywide rules and rate manual and memorandum, and our revised exception pages.

<b>22.</b>	<b>Filing Fees</b> (Filer must provide check # and fee amount if applicable) [If a state requires you to show how you calculated your filing fees, place that calculation below]
<div style="margin-bottom: 20px;"> <b>Check #:</b> 2055859  <b>Amount:</b> 100.00         </div> <p><b>Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.</b></p>	

**\*\*\*Refer to each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)**

Effective March 1, 2007

**PROPERTY & CASUALTY ADDITIONAL  
RATE/RULE FILING ATTACHMENT**

(This form must be provided ONLY when making a filing that includes rate-related items such as Rate; Rule; Rate & Rule; Reference; Loss Cost; Loss Cost & Rule or Rate, etc.)

**(Do not refer to the body of the filing for the component/exhibit listing, unless allowed by state.)**

1.	<b>This filing transmittal is part of Company Tracking #</b>	TANE DPL AR 11 07 RR
2.	<b>This filing corresponds to form filing number</b> (Company tracking number of form filing, if applicable)	N/A

☒ Rate Increase      ☐ Rate Decrease      ☐ Rate Neutral (0%)

[illegible]

[illegible]

5. Overall Rate Information (Complete for Multiple Company Filings only)			
		COMPANY USE	STATE USE
5a.	Overall percentage rate indication (when applicable)		
5b.	Overall percentage rate impact for this filing		
5c.	Effect of Rate Filing – Written premium change for this program		
5d.	Effect of Rate Filing – Number of policyholders affected		

6.	Overall percentage of last rate revision	+26.1%
7.	Effective Date of last rate revision	10/19/2006
8.	Filing Method of Last filing (Prior Approval, File & Use, Flex Band, etc.)	Use & File

9.	Rule # or Page # Submitted for Review	Replacement or withdrawn?	Previous state filing number, if required by state
01	Arkansas Exception Pages Pages 1 thru 5	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	AR-PC-06-020686
02		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
03		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
04		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
05		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
06		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
07		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
08		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
09		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
10		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	

**The American Insurance Company**  
**(FEIN# 22-0731810, NAIC# 761-21857)**

Dentist's Professional Liability Program  
Occurrence and Claims-Made  
Requested Effective Date – 11/15/2007

Actuarial Memorandum

The following memorandum outlines the changes we are proposing for the Dentist's Professional Liability Program effective November 15, 2007.

Historically speaking, the Dental Professional Liability rating methodology has not incorporated an equitable mechanism for rate distribution for our customers. The attached filing allows us to refine our approach to pricing the Dental Professional Liability Program. This approach focuses on rate fairness for our customers. It applies a more favorable rate for our customers which present a lower exposure and allows for redistribution of rate based upon risk. Utilization of this approach avoids requiring a substantial portion of our customers to subsidize the performance of a smaller sector with significantly higher exposures.

The proposed revised class plan for the Dental Professional Liability Program (both the Occurrence and Claims-Made policies) is outlined below. This revised rating plan will categorize dentists in more appropriate classes to determine a more accurate rate based on specialty.

**DENTAL CLASS I - NON-INVASIVE OR MINIMALLY INVASIVE PROCEDURES AND SELECT SPECIALTIES**

The proposed class 1 under the new plan includes dentists performing non-invasive or minimally invasive procedures and select specialties. The following dentists would be considered class 1:

<b>Specialists:</b>	Endodontist
	Orthodontist (simple extractions up to 25% of procedures)
	Public Health Dentist
	Periodontist (surgical placement of implants up to 25% of procedures)
	Prosthodontist (surgical placement of implants up to 25% of procedures)
	Pediatric Dentist
	Oral Pathologist



<b>General Dentists performing the following procedures:</b>	
	Diagnostic
	Preventative
	Restorative
	Non-surgical TMJ treatments – mouth guards and splints
	Cosmetic whitening, veneers
	Restorative Implants up to 15% of practice (based on number of procedures)
	Endodontia – up to 25% of practice (based on number of procedures)
	Prosthodontia – up to 25% of practice (based on number of procedures)
	Periodontia – up to 25% of practice (based on number of procedures)
	Oral surgery ( <i>up to 25% of total practice (based on number or procedures); simple extractions only, no full or partial bony impactions</i> )

This classification applies to all DDS's or DMD's who are Board Eligible or Certified Specialists in the above areas; or are General Practitioners and who use local, nitrous oxide or oral conscious sedation. This classification also applies to all dentists who provide services to patients who have been administered deep sedation or general anesthesia in their office, or in a hospital, or surgi-center by an MD / nurse anesthetist, dentist anesthetist, or oral surgeon not in their employ.

These dentists are currently classified as class 1 in our current class plan. They are currently at a relativity of 1.00 and we propose to keep them at a relativity of 1.00 under the proposed class plan.

### **DENTAL PROCEDURES LEVEL II & SPECIALIZED AREAS OF PRACTICE/PROCEDURES:**

Our proposed class 2 under the new rating plan will include the following group of dentists:

General Practitioner:	With 25% or greater percentage of practice (in any one category) in the specialty areas of Prosthodontics and/or Endodontics, surgical Periodontal procedures, Orthodontics or oral surgery ( <i>simple extractions only, no extractions of full or partial bony impacted teeth</i> ).
-----------------------	--

For classification purposes all insureds that treat 25% or more of their patients in the above specialized areas of practice will be rated under this classification.

These dentists are currently classified as class 1 in our current class plan. They are currently at a relativity of 1.00 and we propose to increase their relativity to 1.25. Therefore, dentists in this group would receive a 25% increase based on the proposed class plan.

### **DENTAL PROCEDURES LEVEL III & SPECIALIZED AREAS OF PRACTICE/PROCEDURES:**

Our proposed class 3 under the new rating plan will include the following group of dentists:

Specialist and General Dentist:	Extractions of full or partial bony impacted teeth
Procedures by a General Dentist:	Implant restorations that exceed 15% of the total practice

This classification applies to all DDS's or DMD's whose practice specializes in providing implants. For classification purposes all insureds that treat 15% or more of their patients for implants will be rated under this classification.

These dentists are currently classified as class 1 in our current class plan. They are currently at a relativity of 1.00 and we propose to increase their relativity to 1.50. Therefore, dentists in this group would receive a 50.0% increase based on the proposed class plan.

#### **CLASS 4: ANESTHESIA CLASS**

Our proposed class 4 under the new rating plan will include the dentists performing the following specialties:

Anesthesia	I.V. Conscious Sedation
	I.M. Conscious Sedation
	Sub-cutaneous conscious sedation

This classification contemplated the insured dentist administering the sedation and performing the dental procedure.

These dentists are currently classified as class 2 in our current class plan. They are currently at a relativity of 2.00 and we propose to keep them at a relativity of 2.00 under the proposed class plan.

#### **CLASS 5: ORAL & MAXILLOFACIAL SURGEONS AND DENTIST ANESTHESIOLOGISTS**

Our proposed class 5 under the new rating plan will include the dentists performing the following specialties:

Anesthesia	In-Office Includes General Anesthesia
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This classification applies to all Oral Surgeons and Dental Anesthesiologists. This classification would also apply to any DDS or DMD who administer and treat patients under I.V. or I.M. conscious sedation or deep sedation or general anesthesia in their office.

These dentists are currently classified as class 3 or 4 in our current class plan. They are currently at a relativity of 6.00 or 7.00 and we propose to increase them to a relativity of 8.00 under the

proposed class plan. Therefore, dentists in this group would receive a 33.3% or 14.3% increase respectively based on the proposed class plan.

The following table reviews the changes based on the revised class plan.

<b><u>Proposed Class</u></b>	<b><u>Proposed Relativity</u></b>	<b><u>Current Relativity</u></b>	<b><u>Change</u></b>
Class 1	1.00	1.00	0.0%
Class 2	1.25	1.00	25.0%
Class 3	1.50	1.00	50.0%
Class 4	2.00	2.00	0.0%
Class 5 (currently Class 3)	8.00	6.00	33.3%
Class 5 (currently Class 4)	8.00	7.00	14.3%

Support for these changes is shown in Exhibit 2, Sheet 3. Because the losses are not currently being tracked by their proposed classes, we examined the claims data from 2001 through 2005 and identified the causes of loss that would appear in each of our proposed classes. We then used the total incurred loss and ALAE for the claims that we were able to classify under the new class plan. For the premium, we began tracking data concerning the percentage of each dentist's business devoted to each specialty area in May 2006. Therefore, we looked at the current snapshot of our business with policies effective from May 2006 through September 2006 and grouped earned premium by the proposed classes under the new class plan. We then applied the percentages from the current snapshot of Dental business to the 2001 through 2005 earned premium to estimate the earned premium for each of the proposed classes.

The indicated relativities from this analysis are in column 9 of Exhibit 2, Sheet 3. Please note that a number of Underwriting actions have been taken for the proposed class 3 individuals, which include dentists performing partially impacted or bony impacted extractions and implant restorations. In the past, the underwriting process did not address risk attributes and qualifications for dentist's performing partially impacted or bony impacted extractions. Failure to adequately address and underwrite these exposures had a dramatic impact on the losses resulting from these types of procedures. Going forward, the underwriter will need to determine that the dentist has achieved proper education (over a five year period, the general dentist should have a minimum of 20 hours training) before they accept these risks. In addition to a focus in training and expertise, technique will be be equally as important in the evaluation process. As an example, consistent usage of x-rays and/or CT scans in the preplanning process will ensure that the treating dentist is well aware of the placement and location of a lingual nerve, which is among the most common injury types of this type of procedure. Ensuring that the dentist knows when to call in the help of an expert (i.e. oral surgeon) will dramatically reduce complications that arise in extreme force to perform the extraction, therefore adequate referral procedures will also be assessed. For dentists performing implant restorations, the underwriting process will require evaluation and acceptance of informed consent forms to ensure that the patient is advised of the risk and complications that can arise from the implant. Also, continuing education geared specifically towards implantology will be vital in the selection process. Training programs must include hands on training. Generally, training programs given by manufacturers will not be considered adequate to meet this requirement. A team approach is often used for implant procedures and as such, a dentist referring a patient for surgical placement to an oral surgeon or

periodontist must have a protocol in place to follow the patient's care until such time that the patient returns for the implant restoration. Due to these significant Underwriting changes to reduce risk, we have proposed a lower relativity for this class under our revised class plan.

The overall rate effect of the changes under this revised class plan is an increase of 14.4% for the Occurrence and Claims-Made businesses. This was estimated based on the premium from the current snapshot of Dental business that we previously described. Our indicated rate changes from our analysis are +27.9% and +82.5% respectively for Occurrence and Claims-Made.

Our overall indication is developed on the attached exhibits. The exhibits provide the detailed backup for the various factors used to develop the overall indications. In general, our individual state experience lacks sufficient credibility to develop indications at the state level so our analysis is predicated on countrywide data. These changes are also outlined in the accompanying rate and rule filing memorandum.

**Exhibit 1, Sheet 1**  
**The American Insurance Company**  
**Dental Occurrence Professional Liability**  
**Development of Rate Indication**

(1) Countrywide Experience Loss & ALAE Ratio	68.9%
(2) Number of Projected Ultimate Claims	551
(3) Credibility of Countrywide Experience	89.8%
(4) Complement of Credibility	10.2%
(5) Permissible Loss & ALAE Ratio	53.0%
(6) Trended Permissible Loss & ALAE Ratio	57.5%
(7) Credibility Weighted Loss & ALAE Ratio	67.7%
(8) Credibility Weighted Rate Indication	27.9%
<b>(9) Selected Rate Change (From Proposed Class Plan):</b>	<b>14.4%</b>

Notes:

- (1) From Exhibit 2 Sheet 1, Row 15
- (2) Total from Column (7) of Exhibit 2 Sheet 1.
- (3) Minimum of 1.00 or  $\{ (2) / 683 \} ^{0.5}$ .
- (4)  $= 1 - (3)$
- (5) From Exhibit 6, Row 11
- (6)  $= (5) \times (1 + \text{trend from Exhibit 5})$
- (7)  $= \{ (1) \times (3) \} + \{ (4) \times (6) \}$
- (8)  $= [ (7) / (5) ] - 1$

**Exhibit 1, Sheet 2**  
**The American Insurance Company**  
**Dental Claims-Made Professional Liability**  
**Development of Rate Indication**

(1) Countrywide Experience Loss & ALAE Ratio	96.7%
(2) Number of Projected Ultimate Claims	5,110
(3) Credibility of Countrywide Experience	100.0%
(4) Complement of Credibility	0.0%
(5) Permissible Loss & ALAE Ratio	53.0%
(6) Trended Permissible Loss & ALAE Ratio	57.5%
(7) Credibility Weighted Loss & ALAE Ratio	96.7%
(8) Credibility Weighted Rate Indication	82.5%
(9) <b>Selected Rate Change (From Proposed Class Plan):</b>	<b>14.4%</b>

Notes:

- (1) From Exhibit 2 Sheet 2, Row 15
- (2) Total from Column (7) of Exhibit 2 Sheet 2.
- (3) Minimum of 1.00 or  $\{ (2) / 683 \} ^{0.5}$ .
- (4)  $= 1 - (3)$
- (5) From Exhibit 6, Row 11
- (6)  $= (5) \times (1 + \text{trend from Exhibit 5})$
- (7)  $= \{ (1) \times (3) \} + \{ (4) \times (6) \}$
- (8)  $= [ (7) / (5) ] - 1$

**Exhibit 2, Sheet 1**  
**The American Insurance Company**  
**Dental Occurrence Professional Liability**

Ratemaking Calculations - Countrywide

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Accident Year	Earned Premium	On-Level Factors	On-Level Earned Premium	Paid Loss and ALAE	Case Reserves	Reported Loss and ALAE	Ultimate Claim Counts
2001	2,267,819	1.496	3,392,486	1,373,350	95,101	1,468,451	58
2002	3,567,746	1.423	5,078,465	726,637	224,603	951,240	109
2003	4,877,123	1.259	6,138,052	1,458,321	365,204	1,823,525	129
2004	5,722,073	1.140	6,523,078	674,400	642,953	1,317,353	108
2005	6,246,251	1.096	6,848,604	440,159	888,494	1,328,653	147
Total	22,681,012		27,980,685	4,672,867	2,216,355	6,889,222	551

  

	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Accident Year	Paid Link Ratio	Reported Link Ratio	Rptd Bornhuetter-Ferguson	Selected Ultimate Losses	Trend Factors	Trended Selected Ultimate Losses	Ultimate Loss Ratio
2001	1,643,436	1,563,900		1,603,668	1.843	2,954,996	87.1%
2002	998,036	1,122,914		1,060,475	1.696	1,798,784	35.4%
2003	2,592,882	2,668,204		2,630,543	1.561	4,107,336	66.9%
2004	1,992,015	2,716,335	3,178,293	3,178,293	1.437	4,567,163	70.0%
2005	4,677,217	6,168,177	4,423,331	4,423,331	1.323	5,851,108	85.4%
Total	11,903,585	14,239,530	7,601,625	12,896,310		19,279,387	68.9%

  

	(15) Experience Loss and ALAE Ratio	68.9%
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Notes

- (1) Data as of 12/31/2006.
- (2) Based on historical rate changes; see Exhibit 3 Sheet 1.
- (3) = (1) x (2)
- (4)-(7) Data as of 12/31/2006.
- (8)-(9) Based on loss development factors in Exhibit 4.
- (10) A priori loss ratio equals average of AYs 2001-2003.
- (11) Selected judgmentally based on (8) - (10).
- (12) Data as of 12/31/2006.
- (13) = (11) x (12)
- (14) = (13) / (3)

**Exhibit 2, Sheet 2**  
**The American Insurance Company**  
**Dental Claims-Made Professional Liability**

Ratemaking Calculations - Countrywide

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Report Year	Earned Premium	On-Level Factors	On-Level Earned Premium	Paid Loss and ALAE	Case Reserves	Reported Loss and ALAE	Ultimate Claim Counts
2001	13,455,321	1.633	21,969,972	12,416,721	-	12,416,721	720
2002	22,498,626	1.554	34,955,891	20,058,642	765,525	20,824,167	1,048
2003	32,438,796	1.374	44,561,256	27,578,816	3,754,294	31,333,110	1,256
2004	36,077,973	1.244	44,891,813	13,498,514	3,543,092	17,041,606	960
2005	37,943,512	1.197	45,409,424	10,369,409	8,867,735	19,237,144	1,126
Total	142,414,228		191,788,355	83,922,102	16,930,646	100,852,747	5,110

  

	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Report Year	Paid Link Ratio	Projected Ultimate Losses Reported Link Ratio	Rptd Bornhuetter-Ferguson	Selected Ultimate Losses	Trend Factors	Trended Selected Ultimate Losses	Ultimate Loss Ratio
2001	12,666,519	12,570,648		12,416,721	1.843	22,879,649	104.1%
2002	21,041,923	21,081,590		21,061,757	1.696	35,725,080	102.2%
2003	31,824,292	33,986,244		32,905,268	1.561	51,378,362	115.3%
2004	19,448,360	21,456,018	24,999,785	21,968,054	1.437	31,567,782	70.3%
2005	27,732,614	34,470,372	37,214,728	33,139,238	1.323	43,836,029	96.5%
Total	112,713,709	123,564,872	62,214,513	121,491,038		185,386,902	96.7%

  

	(15) Experience Loss and ALAE Ratio	96.7%
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Notes

- (1) Data as of 12/31/2006.  
(2) Based on historical rate changes; see Exhibit 3 Sheet 2.  
(3) = (1) x (2)  
(4)-(7) Data as of 12/31/2006.  
(8)-(9) Based on loss development factors in Exhibit 4.  
(10) A priori loss ratio equals average of AYs 2001-2003.  
(11) Selected judgmentally based on (8) - (10).  
(12) Data as of 12/31/2006.  
(13) = (11) x (12)  
(14) = (13) / (3)



**Exhibit 2, Sheet 3**  
**The American Insurance Company**  
**Dental Professional Liability**

**Rate Classification Relativities**

**Countrywide Data**

(1) Class Under Proposed Class Plan	(2a) 2001	(2b) 2002	(2c) 2003	(2d) 2004	(2e) 2005	(2f) Total	(3a) 2001	(3b) 2002	(3c) 2003	(3d) 2004	(3e) 2005	(3f) Total	(4) Actual Loss Ratio
Incurred Loss & ALAE						Earned Premium							
Class 1	611,178	1,016,327	380,038	377,567	179,694	2,564,804	6,930,644	11,489,864	16,448,580	18,425,150	19,478,520	72,772,757	3.5%
Class 2	7,103,036	7,991,501	7,423,698	4,294,865	2,736,052	29,549,152	8,014,644	13,286,958	19,021,252	21,306,971	22,525,095	84,154,919	35.1%
Class 3	1,385,063	1,797,765	1,778,909	3,245,292	898,961	9,105,991	264,617	438,692	628,019	703,486	743,704	2,778,518	327.7%
Class 4	10,952	212,473	304,368	194,014	54,237	776,044	111,566	184,958	264,780	296,598	313,555	1,171,457	66.2%
Class 5*	293,549	492,386	320,463	292,851	1,450,638	2,849,888	401,670	665,902	953,287	1,067,840	1,128,889	4,217,588	67.6%
Total	9,403,778	11,510,453	10,207,477	8,404,590	5,319,582	44,845,879	15,723,141	26,066,373	37,315,919	41,800,045	44,189,762	165,095,240	27.2%

  

(5) Class Under Proposed Class Plan	(6) Indicated Change in Relativity	(7) Current Relativity	(8) Indicated Relativity	(9) Indicated Relativity with Class 1 as Base	(10) Proposed Relativity	(11) Class Plan Rate Effect
Class 1	0.13	1.00	0.13	1.00	1.00	0.0%
Class 2	1.29	1.00	1.29	9.96	1.25	25.0%
Class 3	12.06	1.00	12.06	92.99	1.50	50.0%
Class 4	2.44	2.00	4.88	37.59	2.00	0.0%
Class 5*	2.49	6.00	14.93	115.03	8.00	33.3%
Class 5*	2.49	7.00	17.41	134.21	8.00	14.3%
Total Class Plan Effect						14.4%

**Notes:**

- |  |   |
|--|---|
| (1) Class under proposed class plan.   | (7) Class relativity under current class structure.                                       |
| (2) a-f Actual accident year losses as of 12/31/2006. Includes losses that can be classified into one of the new proposed classes. | (8) = (6) * (7)   |
| (3) a-f Actual earned premium.   | (9) Indicated relativity for class divided by class 1 indicated relativity in column (8). |
| (4) = (2f) / (3f).   | (10) Proposed class relativity under new class structure.                                 |
| (5) Class under proposed class plan.   | (11) = (10) / (7) - 1   |
| (6) Actual loss ratio for accident year divided by total loss ratio in column (4).   |   |

\* Please note that proposed Class 5 includes: Class 3 individuals from current class structure going from a relativity of 6 to 8 and Class 4 individuals from current class structure going from a relativity of 7 to 8.

**Exhibit 3, Sheet 1**  
**The American Insurance Company**  
Dental Occurrence Professional Liability

Accident Year	Average Rate Level	Current Rate Level	Factor to Current Rate Level
1997	1.0000	1.4061	1.4061
1998	1.0000	1.4061	1.4061
1999	0.5584	1.4061	2.5181
2000	0.9417	1.4061	1.4931
2001	0.9399	1.4061	1.4959
2002	0.9878	1.4061	1.4234
2003	1.1172	1.4061	1.2585
2004	1.2334	1.4061	1.1400
2005	1.2824	1.4061	1.0964

Date	Rate Change	Overall Effective Rate Level	Rate Change	1997	1998	1999	2000	2001	2002	2003	2004	2005
		1.0000	1.0000	1.0000	1.0000	0.2813						
4/1/1999	-1.3%	0.9870	0.9870			0.1112	0.0556					
6/1/1999	-0.3%	0.9970	0.9840			0.1701	0.4132					
1/1/2000	-2.3%	0.9770	0.9614				0.4782	0.3134				
10/15/2000	-1.5%	0.9850	0.9470				0.0182	0.1067				
12/1/2000	-1.7%	0.9830	0.9309				0.0035	0.2327	0.0139			
3/1/2001	-0.5%	0.9950	0.9262					0.1250	0.0417			
5/1/2001	-0.3%	0.9970	0.9235					0.2222	0.5972	0.0139		
3/1/2002	20.0%	1.2000	1.1081						0.3472	0.9105	0.1867	
8/10/2003	13.9%	1.1390	1.2622							0.0756	0.8133	0.7188
4/1/2005	4.0%	1.0400	1.3127									0.1111
6/1/2005	2.7%	1.0270	1.3481									0.1701
9/1/2006	4.3%	1.0430	1.4061									
Average Rate Level:				1.0000	1.0000	0.5584	0.9417	0.9399	0.9878	1.1172	1.2334	1.2824

**Exhibit 3, Sheet 2**  
**The American Insurance Company**  
Dental Claims-Made Professional Liability

				Accident Year	Average Rate Level	Current Rate Level	Factor to Current Rate Level					
				1997	1.0000	1.5347	1.5347					
				1998	1.0000	1.5347	1.5347					
				1999	0.5584	1.5347	2.7485					
				2000	0.9417	1.5347	1.6297					
				2001	0.9399	1.5347	1.6328					
				2002	0.9878	1.5347	1.5537					
				2003	1.1172	1.5347	1.3737					
				2004	1.2334	1.5347	1.2443					
				2005	1.2824	1.5347	1.1968					
Overall Effective				1997	1998	1999	2000	2001	2002	2003	2004	2005
Date	Rate Change	Rate Level	Rate Change	1.0000	1.0000	0.2813						
4/1/1999	-1.3%	0.9870	0.9870			0.1112	0.0556					
6/1/1999	-0.3%	0.9970	0.9840			0.1701	0.4132					
1/1/2000	-2.3%	0.9770	0.9614				0.4782	0.3134				
10/15/2000	-1.5%	0.9850	0.9470				0.0182	0.1067				
12/1/2000	-1.7%	0.9830	0.9309				0.0035	0.2327	0.0139			
3/1/2001	-0.5%	0.9950	0.9262					0.1250	0.0417			
5/1/2001	-0.3%	0.9970	0.9235					0.2222	0.5972	0.0139		
3/1/2002	20.0%	1.2000	1.1081						0.3472	0.9105	0.1867	
8/10/2003	13.9%	1.1390	1.2622							0.0756	0.8133	0.7188
4/1/2005	4.0%	1.0400	1.3127									0.1111
6/1/2005	2.7%	1.0270	1.3481									0.1701
9/1/2006	7.4%	1.0740	1.4479									
1/15/2007	6.0%	1.0600	1.5347									
Average Rate Level:				1.0000	1.0000	0.5584	0.9417	0.9399	0.9878	1.1172	1.2334	1.2824

**Exhibit 4, Sheet 1**  
**The American Insurance Company**  
**Dental Professional Liability**  
**Claims-Made & Occurrence data on an Accident Year basis**

Paid Loss Development Factors by Accident Year  
Countrywide

<b>Paid Losses and ALAE</b>												
Accident	Evaluation Age in Months											
Year	12	24	36	48	60	72	84	96	108	120	132	144
1995	147,410	487,981	1,402,260	3,488,749	4,193,695	4,327,255	4,340,275	4,376,355	4,397,645	4,428,986	4,458,067	4,458,067
1996	58,514	298,962	2,123,165	2,888,400	3,811,118	4,283,815	4,322,396	4,552,469	4,627,024	4,648,824	4,648,824	-
1997	7,556	454,316	1,804,504	2,579,833	2,967,253	3,950,837	4,264,842	4,508,143	4,762,280	4,906,656	-	-
1998	52,338	717,428	2,570,514	3,759,893	4,362,301	4,788,332	5,232,628	5,412,041	5,607,147	-	-	-
1999	129,246	1,307,098	4,615,597	6,147,778	7,810,829	8,906,995	10,351,085	10,865,273	-	-	-	-
2000	129,246	920,929	2,833,123	4,813,332	8,914,567	10,877,189	12,219,623	-	-	-	-	-
2001	273,998	1,586,313	7,348,603	13,957,052	16,632,742	18,737,859	-	-	-	-	-	-
2002	195,393	2,683,370	9,679,866	16,624,294	21,571,605	-	-	-	-	-	-	-
2003	200,301	3,517,444	11,920,705	19,332,711	-	-	-	-	-	-	-	-
2004	290,159	3,160,370	10,142,768	-	-	-	-	-	-	-	-	-
2005	248,625	3,728,891	-	-	-	-	-	-	-	-	-	-
2006	525,941	-	-	-	-	-	-	-	-	-	-	-
<b>Age-to-Age Factors</b>												
Accident	Evaluation Age in Months											
Year	12 to 24	24 to 36	36 to 48	48 to 60	60 to 72	72 to 84	84 to 96	96 to 108	108 to 120	120 to 132	132 to 144	144 to Ult.
1995	3.310	2.874	2.488	1.202	1.032	1.003	1.008	1.005	1.007	1.007	1.000	
1996	5.109	7.102	1.360	1.319	1.124	1.009	1.053	1.016	1.005	1.000		
1997	60.125	3.972	1.430	1.150	1.331	1.079	1.057	1.056	1.030			
1998	13.707	3.583	1.463	1.160	1.098	1.093	1.034	1.036				
1999	10.113	3.531	1.332	1.271	1.140	1.162	1.050					
2000	7.125	3.076	1.699	1.852	1.220	1.123						
2001	5.790	4.633	1.899	1.192	1.127							
2002	13.733	3.607	1.717	1.298								
2003	17.561	3.389	1.622									
2004	10.892	3.209										
2005	14.998											
<b>Average Development</b>												
Average	Evaluation Age in Months											
Type	12 to 24	24 to 36	36 to 48	48 to 60	60 to 72	72 to 84	84 to 96	96 to 108	108 to 120	120 to 132	132 to 144	144 to Ult.
All Years	14.769	3.898	1.668	1.305	1.153	1.078	1.041	1.028	1.014	1.003	1.000	
Latest 3	14.296	3.402	1.746	1.447	1.162	1.126	1.047	1.036	1.014	1.003	1.000	
Ex. Hi-Lo	11.003	3.625	1.599	1.240	1.142	1.076	1.046	1.026	1.007			
Wtd. Avg.	10.886	3.597	1.661	1.295	1.147	1.097	1.042	1.029	1.014	1.003	1.000	
Wtd. Last 3	14.081	3.391	1.724	1.331	1.155	1.131	1.047	1.036	1.014	1.003	1.000	
<b>Selected Loss Development Factors</b>												
Age-to-Age	<b>10.886</b>	<b>3.597</b>	<b>1.661</b>	<b>1.295</b>	<b>1.147</b>	<b>1.097</b>	<b>1.042</b>	<b>1.029</b>	<b>1.014</b>	<b>1.003</b>	<b>1.000</b>	<b>1.000</b>
Age-to-Ult	<b>115.675</b>	<b>10.626</b>	<b>2.954</b>	<b>1.778</b>	<b>1.373</b>	<b>1.197</b>	<b>1.091</b>	<b>1.047</b>	<b>1.018</b>	<b>1.003</b>	<b>1.000</b>	<b>1.000</b>

**Exhibit 4, Sheet 2**  
**The American Insurance Company**  
**Dental Professional Liability**  
**Claims-Made & Occurrence data on an Accident Year basis**

Incurred Loss Development Factors by Accident Year  
Countrywide

Incurred Losses and ALAE												
Accident	Evaluation Age in Months											
Year	12	24	36	48	60	72	84	96	108	120	132	144
1995	438,949	1,600,477	2,295,761	4,392,382	4,379,698	4,350,257	4,355,777	4,383,356	4,430,246	4,466,010	4,459,992	4,459,992
1996	580,487	1,429,961	2,938,272	3,538,605	4,106,823	4,363,816	4,408,896	4,594,419	4,749,025	4,741,327	4,741,327	-
1997	183,756	1,289,584	2,502,362	2,877,439	3,680,258	3,985,842	4,388,413	4,731,145	4,855,282	4,986,957	-	-
1998	659,741	1,920,490	3,394,461	4,168,000	4,377,306	5,052,935	5,407,233	5,635,492	5,732,848	-	-	-
1999	904,737	3,420,614	5,932,721	6,192,784	8,872,962	10,000,671	10,751,281	10,849,150	-	-	-	-
2000	904,737	2,206,366	3,063,884	5,825,302	9,874,336	11,701,306	13,324,625	-	-	-	-	-
2001	1,265,964	1,641,310	9,660,525	16,542,872	18,935,864	20,652,025	-	-	-	-	-	-
2002	230,460	5,338,594	13,904,112	20,426,464	25,088,608	-	-	-	-	-	-	-
2003	1,108,672	7,982,548	18,095,545	23,120,198	-	-	-	-	-	-	-	-
2004	1,790,239	8,166,568	17,004,225	-	-	-	-	-	-	-	-	-
2005	3,942,862	10,701,661	-	-	-	-	-	-	-	-	-	-
2006	3,794,483	-	-	-	-	-	-	-	-	-	-	-
Age-to-Age Factors												
Accident	Evaluation Age in Months											
Year	12 to 24	24 to 36	36 to 48	48 to 60	60 to 72	72 to 84	84 to 96	96 to 108	108 to 120	120 to 132	132 to 144	144 to Ult.
1995	3.646	1.434	1.913	0.997	0.993	1.001	1.006	1.011	1.008	0.999	1.000	
1996	2.463	2.055	1.204	1.161	1.063	1.010	1.042	1.034	0.998	1.000		
1997	7.018	1.940	1.150	1.279	1.083	1.101	1.078	1.026	1.027			
1998	2.911	1.767	1.228	1.050	1.154	1.070	1.042	1.017				
1999	3.781	1.734	1.044	1.433	1.127	1.075	1.009					
2000	2.439	1.389	1.901	1.695	1.185	1.139						
2001	1.296	5.886	1.712	1.145	1.091							
2002	23.165	2.604	1.469	1.228								
2003	7.200	2.267	1.278									
2004	4.562	2.082										
2005	2.714											
Average Development												
Average	Evaluation Age in Months											
Type	12 to 24	24 to 36	36 to 48	48 to 60	60 to 72	72 to 84	84 to 96	96 to 108	108 to 120	120 to 132	132 to 144	144 to Ult.
All Years	5.563	2.316	1.433	1.248	1.099	1.066	1.036	1.022	1.011	0.999	1.000	
Latest 3	9.410	2.318	1.486	1.356	1.134	1.095	1.043	1.026	1.011	0.999	1.000	
Ex. Hi-Lo	4.082	1.986	1.420	1.216	1.104	1.064	1.031	1.022	1.008			
Wtd. Avg.	3.805	2.251	1.409	1.240	1.108	1.081	1.030	1.022	1.011	0.999	1.000	
Wtd. Last 3	3.925	2.281	1.442	1.259	1.124	1.102	1.033	1.025	1.011	0.999	1.000	
<b>Selected Loss Development Factors</b>												
Age-to-Age	<b>3.805</b>	<b>2.251</b>	<b>1.409</b>	<b>1.240</b>	<b>1.108</b>	<b>1.000</b>	<b>1.030</b>	<b>1.022</b>	<b>1.011</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>
Age-to-Ult	<b>17.662</b>	<b>4.642</b>	<b>2.062</b>	<b>1.463</b>	<b>1.180</b>	<b>1.065</b>	<b>1.065</b>	<b>1.033</b>	<b>1.011</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>

**Exhibit 4, Sheet 3**  
**The American Insurance Company**  
**Dental Professional Liability**  
**Claims-Made & Occurrence data on an Accident Year basis**

Claim Count Development Factors by Accident Year  
Countrywide

Reported Claim Counts												
Accident	Evaluation Age in Months											
Year	12	24	36	48	60	72	84	96	108	120	132	144
1995	-	242	274	309	323	326	328	331	339	340	341	341
1996	133	236	296	311	326	329	333	341	347	351	351	-
1997	42	171	225	260	284	292	308	316	318	324	-	-
1998	68	230	336	383	399	437	454	463	468	-	-	-
1999	130	365	479	532	612	643	658	671	-	-	-	-
2000	130	427	504	667	718	749	776	-	-	-	-	-
2001	213	461	806	922	963	996	-	-	-	-	-	-
2002	135	766	1,032	1,146	1,184	-	-	-	-	-	-	-
2003	254	806	1,023	1,127	-	-	-	-	-	-	-	-
2004	313	759	990	-	-	-	-	-	-	-	-	-
2005	279	674	-	-	-	-	-	-	-	-	-	-
2006	296	-	-	-	-	-	-	-	-	-	-	-
Age-to-Age Factors												
Accident	Evaluation Age in Months											
Year	12 to 24	24 to 36	36 to 48	48 to 60	60 to 72	72 to 84	84 to 96	96 to 108	108 to 120	120 to 132	132 to 144	144 to Ult.
1995		1.132	1.128	1.045	1.009	1.006	1.009	1.024	1.003	1.003	1.000	
1996	1.774	1.254	1.051	1.048	1.009	1.012	1.024	1.018	1.012	1.000		
1997	4.071	1.316	1.156	1.092	1.028	1.055	1.026	1.006	1.019			
1998	3.382	1.461	1.140	1.042	1.095	1.039	1.020	1.011				
1999	2.808	1.312	1.111	1.150	1.051	1.023	1.020					
2000	3.285	1.180	1.323	1.076	1.043	1.036						
2001	2.164	1.748	1.144	1.044	1.034							
2002	5.674	1.347	1.110	1.033								
2003	3.173	1.269	1.102									
2004	2.425	1.304										
2005	2.416											
Average Development												
Average	Evaluation Age in Months											
Type	12 to 24	24 to 36	36 to 48	48 to 60	60 to 72	72 to 84	84 to 96	96 to 108	108 to 120	120 to 132	132 to 144	144 to Ult.
All Years	3.117	1.332	1.140	1.067	1.039	1.029	1.020	1.015	1.011	1.001	1.000	
Latest 3	2.671	1.307	1.119	1.051	1.043	1.033	1.022	1.012	1.011	1.001	1.000	
Ex. Hi-Lo	2.966	1.306	1.127	1.058	1.033	1.028	1.021	1.014	1.012			
Wtd. Avg.	3.027	1.337	1.137	1.062	1.041	1.029	1.020	1.014	1.011	1.001	1.000	
Wtd. Last 3	2.647	1.306	1.117	1.048	1.041	1.032	1.021	1.012	1.011	1.001	1.000	
Selected Loss Development Factors												
Age-to-Age	3.027	1.337	1.137	1.062	1.041	1.029	1.020	1.014	1.011	1.001	1.000	1.000
Age-to-Ult	5.479	1.810	1.354	1.191	1.122	1.078	1.047	1.027	1.012	1.001	1.000	1.000

**Exhibit 4, Sheet 4**  
**The American Insurance Company**  
**Dental Professional Liability**  
**Claims-Made & Occurrence data on a Report Year basis**

Paid Loss Development Factors by Report Year  
Countrywide

Paid Losses and ALAE												
Report	Evaluation Age in Months											
Year	12	24	36	48	60	72	84	96	108	120	132	144
1995	391,794	2,035,298	3,138,138	4,153,505	4,225,839	4,253,722	4,254,702	4,254,702	4,254,702	4,255,318	4,255,318	4,255,318
1996	241,647	1,289,538	3,545,608	3,869,640	3,894,431	3,920,661	3,937,904	3,966,795	4,026,245	4,033,993	4,033,993	-
1997	157,505	2,083,153	3,392,830	3,915,911	4,094,745	4,114,040	4,168,435	4,192,300	4,193,480	4,195,038	-	-
1998	422,274	2,313,522	3,213,047	3,793,197	3,815,212	3,845,678	3,854,660	3,880,459	3,880,714	-	-	-
1999	404,540	3,528,953	6,199,542	6,702,919	7,261,690	7,353,018	7,354,407	7,358,126	-	-	-	-
2000	404,540	3,108,562	5,171,938	6,319,059	7,065,185	7,770,027	8,062,802	-	-	-	-	-
2001	835,534	4,257,702	7,209,139	11,166,017	12,503,602	12,823,001	-	-	-	-	-	-
2002	823,635	7,206,761	14,309,699	17,950,547	20,799,361	-	-	-	-	-	-	-
2003	2,002,459	12,276,508	23,617,441	29,271,776	-	-	-	-	-	-	-	-
2004	1,203,539	7,394,985	14,640,307	-	-	-	-	-	-	-	-	-
2005	1,867,045	11,403,884	-	-	-	-	-	-	-	-	-	-
2006	1,919,530	-	-	-	-	-	-	-	-	-	-	-
Age-to-Age Factors												
Report	Evaluation Age in Months											
Year	12 to 24	24 to 36	36 to 48	48 to 60	60 to 72	72 to 84	84 to 96	96 to 108	108 to 120	120 to 132	132 to 144	144 to Ult.
1995	5.195	1.542	1.324	1.017	1.007	1.000	1.000	1.000	1.000	1.000	1.000	
1996	5.336	2.750	1.091	1.006	1.007	1.004	1.007	1.015	1.002	1.000		
1997	13.226	1.629	1.154	1.046	1.005	1.013	1.006	1.000	1.000			
1998	5.479	1.389	1.181	1.006	1.008	1.002	1.007	1.000				
1999	8.723	1.757	1.081	1.083	1.013	1.000	1.001					
2000	7.684	1.664	1.222	1.118	1.100	1.038						
2001	5.096	1.693	1.549	1.120	1.026							
2002	8.750	1.986	1.254	1.159								
2003	6.131	1.924	1.239									
2004	6.144	1.980										
2005	6.108											
Average Development												
Average	Evaluation Age in Months											
Type	12 to 24	24 to 36	36 to 48	48 to 60	60 to 72	72 to 84	84 to 96	96 to 108	108 to 120	120 to 132	132 to 144	144 to Ult.
All Years	7.079	1.831	1.233	1.069	1.023	1.010	1.004	1.004	1.001	1.000	1.000	
Latest 3	6.783	1.963	1.348	1.132	1.046	1.013	1.004	1.005	1.001	1.000	1.000	
Ex. Hi-Lo	6.617	1.772	1.209	1.065	1.012	1.005	1.004	1.000	1.000			
Wtd. Avg.	6.499	1.856	1.249	1.100	1.028	1.012	1.003	1.004	1.001	1.000	1.000	
Wtd. Last 3	6.126	1.956	1.294	1.139	1.042	1.016	1.003	1.005	1.001	1.000	1.000	
<b>Selected Loss Development Factors</b>												
Age-to-Age	<b>6.499</b>	<b>1.856</b>	<b>1.249</b>	<b>1.100</b>	<b>1.028</b>	<b>1.012</b>	<b>1.003</b>	<b>1.004</b>	<b>1.001</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>
Age-to-Ult	<b>17.379</b>	<b>2.674</b>	<b>1.441</b>	<b>1.154</b>	<b>1.049</b>	<b>1.020</b>	<b>1.008</b>	<b>1.005</b>	<b>1.001</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>

**Exhibit 4, Sheet 5**  
**The American Insurance Company**  
**Dental Professional Liability**  
**Claims-Made & Occurrence data on a Report Year basis**

Incurred Loss Development Factors by Report Year  
Countrywide

Incurred Losses and ALAE												
Report	Evaluation Age in Months											
Year	12	24	36	48	60	72	84	96	108	120	132	144
1995	1,314,308	3,325,793	3,950,635	4,469,134	4,284,839	4,265,760	4,254,702	4,254,702	4,254,702	4,255,318	4,255,318	4,255,318
1996	2,028,115	2,706,033	4,283,662	4,019,340	4,039,132	4,002,661	3,994,904	4,016,795	4,076,245	4,083,993	4,083,993	-
1997	1,179,509	3,606,091	3,909,840	4,064,919	4,135,249	4,124,042	4,193,437	4,252,302	4,243,482	4,245,041	-	-
1998	1,952,196	3,089,734	3,439,650	3,865,697	3,837,712	3,883,178	3,892,160	3,900,459	3,880,714	-	-	-
1999	2,682,237	5,422,297	6,603,554	6,802,928	7,322,547	7,356,350	7,354,407	7,359,026	-	-	-	-
2000	2,682,237	4,586,108	5,224,192	6,910,536	7,762,186	7,980,180	8,091,977	-	-	-	-	-
2001	3,794,215	4,503,711	8,622,853	12,034,287	12,945,137	12,730,477	-	-	-	-	-	-
2002	902,704	10,097,526	16,885,454	19,309,991	21,564,886	-	-	-	-	-	-	-
2003	5,438,589	18,689,780	28,599,682	33,118,671	-	-	-	-	-	-	-	-
2004	5,978,736	14,296,540	18,568,206	-	-	-	-	-	-	-	-	-
2005	10,743,360	20,781,723	-	-	-	-	-	-	-	-	-	-
2006	12,121,102	-	-	-	-	-	-	-	-	-	-	-
Age-to-Age Factors												
Report	Evaluation Age in Months											
Year	12 to 24	24 to 36	36 to 48	48 to 60	60 to 72	72 to 84	84 to 96	96 to 108	108 to 120	120 to 132	132 to 144	144 to Ult.
1995	2.530	1.188	1.131	0.959	0.996	0.997	1.000	1.000	1.000	1.000	1.000	
1996	1.334	1.583	0.938	1.005	0.991	0.998	1.005	1.015	1.002	1.000		
1997	3.057	1.084	1.040	1.017	0.997	1.017	1.014	0.998	1.000			
1998	1.583	1.113	1.124	0.993	1.012	1.002	1.002	0.995				
1999	2.022	1.218	1.030	1.076	1.005	1.000	1.001					
2000	1.710	1.139	1.323	1.123	1.028	1.014						
2001	1.187	1.915	1.396	1.076	0.983							
2002	11.186	1.672	1.144	1.117								
2003	3.437	1.530	1.158									
2004	2.391	1.299										
2005	1.934											
Average Development												
Average	Evaluation Age in Months											
Type	12 to 24	24 to 36	36 to 48	48 to 60	60 to 72	72 to 84	84 to 96	96 to 108	108 to 120	120 to 132	132 to 144	144 to Ult.
All Years	2.943	1.374	1.143	1.046	1.002	1.005	1.004	1.002	1.001	1.000	1.000	
Latest 3	4.737	1.500	1.232	1.105	1.005	1.005	1.006	1.003	1.001	1.000	1.000	
Ex. Hi-Lo	2.222	1.343	1.136	1.047	1.000	1.004	1.003	0.999	1.000			
Wtd. Avg.	2.354	1.423	1.160	1.072	1.000	1.005	1.004	1.002	1.001	1.000	1.000	
Wtd. Last 3	2.426	1.487	1.191	1.105	1.001	1.006	1.005	1.003	1.001	1.000	1.000	
<b>Selected Loss Development Factors</b>												
Age-to-Age	<b>2.354</b>	<b>1.423</b>	<b>1.160</b>	<b>1.072</b>	<b>1.000</b>	<b>1.005</b>	<b>1.004</b>	<b>1.002</b>	<b>1.001</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>
Age-to-Ult	<b>4.219</b>	<b>1.792</b>	<b>1.259</b>	<b>1.085</b>	<b>1.012</b>	<b>1.012</b>	<b>1.007</b>	<b>1.003</b>	<b>1.001</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>



**Exhibit 4, Sheet 6**  
**The American Insurance Company**  
**Dental Professional Liability**  
**Claims-Made & Occurrence data on a Report Year basis**

Claim Count Development Factors by Report Year  
Countrywide

Reported Claim Counts												
Report	Evaluation Age in Months											
Year	12	24	36	48	60	72	84	96	108	120	132	144
1995	-	273	274	279	279	279	279	279	279	279	279	279
1996	316	343	346	346	346	346	346	346	346	346	346	-
1997	186	287	289	291	291	291	291	291	291	291	-	-
1998	206	265	271	271	271	272	272	272	273	-	-	-
1999	315	434	440	441	460	462	462	462	-	-	-	-
2000	315	544	552	608	630	630	634	-	-	-	-	-
2001	552	640	720	741	743	746	-	-	-	-	-	-
2002	438	978	1,068	1,083	1,093	-	-	-	-	-	-	-
2003	850	1,279	1,305	1,324	-	-	-	-	-	-	-	-
2004	805	984	1,008	-	-	-	-	-	-	-	-	-
2005	943	1,142	-	-	-	-	-	-	-	-	-	-
2006	924	-	-	-	-	-	-	-	-	-	-	-
Age-to-Age Factors												
Report	Evaluation Age in Months											
Year	12 to 24	24 to 36	36 to 48	48 to 60	60 to 72	72 to 84	84 to 96	96 to 108	108 to 120	120 to 132	132 to 144	144 to Ult.
1995		1.004	1.018	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1996	1.085	1.009	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
1997	1.543	1.007	1.007	1.000	1.000	1.000	1.000	1.000	1.000			
1998	1.286	1.023	1.000	1.000	1.004	1.000	1.000	1.004				
1999	1.378	1.014	1.002	1.043	1.004	1.000	1.000					
2000	1.727	1.015	1.101	1.036	1.000	1.006						
2001	1.159	1.125	1.029	1.003	1.004							
2002	2.233	1.092	1.014	1.009								
2003	1.505	1.020	1.015									
2004	1.222	1.024										
2005	1.211											
Average Development												
Average	Evaluation Age in Months											
Type	12 to 24	24 to 36	36 to 48	48 to 60	60 to 72	72 to 84	84 to 96	96 to 108	108 to 120	120 to 132	132 to 144	144 to Ult.
All Years	1.435	1.033	1.021	1.011	1.002	1.001	1.000	1.001	1.000	1.000	1.000	
Latest 3	1.313	1.046	1.019	1.016	1.003	1.002	1.000	1.001	1.000	1.000	1.000	
Ex. Hi-Lo	1.379	1.025	1.012	1.008	1.002	1.000	1.000	1.000	1.000			
Wtd. Avg.	1.455	1.041	1.023	1.013	1.002	1.002	1.000	1.001		1.000	1.000	
Wtd. Last 3	1.311	1.043	1.018	1.014	1.003	1.003	1.000	1.001	1.000	1.000	1.000	
<b>Selected Loss Development Factors</b>												
Age-to-Age	<b>1.455</b>	<b>1.041</b>	<b>1.023</b>	<b>1.013</b>	<b>1.002</b>	<b>1.002</b>	<b>1.000</b>	<b>1.001</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>
Age-to-Ult	<b>1.576</b>	<b>1.083</b>	<b>1.041</b>	<b>1.018</b>	<b>1.005</b>	<b>1.003</b>	<b>1.001</b>	<b>1.001</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>

**Exhibit 5**  
**The American Insurance Company**  
**Dental Professional Liability**  
**Claims-Made & Occurrence data on a Report Year basis**  
Countrywide Experience

(1) Report Year	(2) Paid Loss & ALAE	(3) Incurred Loss & ALAE	(4) Paid Development Factor	(5) Incurred Development Factor	(6) Indicated Ultimate From Paid Development	(7) Indicated Ultimate From Incurred Development	(8) Selected Ultimate Loss & ALAE	(9) Reported Claim Count	(10) Claim Emergence Factor	(11) Ultimate Claim Count	(12) Ultimate Severity	(13) Earned Premium	(14) Premium Factor On Current Level	(15) On Level Earned Premium	(16) Exposure Adjusted Frequency
1995	4,255,318	4,255,318	1.000	1.000	4,255,318	4,255,318	4,255,318	279	1.000	279	15,252	8,567,298	1.513	12,963,963	21.52
1996	4,033,993	4,083,993	1.000	1.000	4,033,993	4,083,993	4,058,993	346	1.000	346	11,731	8,964,347	1.515	13,577,604	25.48
1997	4,195,038	4,245,041	1.000	1.000	4,195,038	4,245,041	4,220,039	291	1.000	291	14,502	9,324,258	1.530	14,268,928	20.39
1998	3,880,714	3,880,714	1.001	1.001	3,883,801	3,883,777	3,883,789	273	1.000	273	14,226	9,027,940	1.535	13,858,410	19.70
1999	7,358,126	7,359,026	1.005	1.003	7,391,496	7,378,683	7,385,089	462	1.001	462	15,985	11,983,048	2.718	32,564,871	14.19
2000	8,062,802	8,091,977	1.008	1.007	8,127,639	8,145,675	8,136,657	634	1.001	635	12,814	13,545,843	1.611	21,828,889	29.09
2001	12,823,001	12,730,477	1.020	1.012	13,080,972	12,888,293	12,984,633	746	1.003	748	17,359	15,723,141	1.613	25,362,458	29.49
2002	20,799,361	21,564,886	1.049	1.012	21,818,952	21,831,465	21,825,209	1,093	1.005	1098	19,877	26,066,373	1.536	40,034,356	27.43
2003	29,271,776	33,118,671	1.154	1.085	33,777,866	35,922,998	34,850,432	1,324	1.018	1348	25,853	37,315,919	1.359	50,699,308	26.59
2004	14,640,307	18,568,206	1.441	1.259	21,093,430	23,378,064	22,235,747	1,008	1.041	1049	21,197	41,800,045	1.230	51,414,890	20.40
2005	11,403,884	20,781,723	2.674	1.792	30,499,282	37,238,050	33,868,666	1,142	1.083	1237	27,380	44,189,762	1.183	52,258,027	23.67

1995 - 2003 Fitted Trend	6.8%	3.7%
1995 - 2004 Fitted Trend	6.5%	2.0%
1995 - 2005 Fitted Trend	7.3%	1.6%
<b>Selected</b>	<b>6.5%</b>	<b>2.0%</b>

Accident Year	Annual Trend	Midpoint of Experience	Average Accident Date of Effective Period	Trend Period	Trend Factor	Total Trend	8.6%
2001	1.086	7/1/2001	11/15/2008	7.38	1.843		
2002	1.086	7/1/2002	11/15/2008	6.38	1.696		
2003	1.086	7/1/2003	11/15/2008	5.38	1.561		
2004	1.086	7/1/2004	11/15/2008	4.38	1.437		
2005	1.086	7/1/2005	11/15/2008	3.38	1.323		

**Exhibit 6**  
**The American Insurance Company**  
**Dental Professional Liability**

Projected Expenses

	2001	2002	2003	2004	2005	Selected
(1) Direct Written Premium	233,543	207,738	156,590	155,744	142,703	
(2) Direct Earned Premium	195,790	235,170	161,165	148,134	144,693	
(3) Expense Category: Commissions	48,063 20.6%	43,176 20.8%	33,303 21.3%	33,030 21.2%	32,051 22.5%	23.3%
(4) Other Acquisitions	5,977 3.1%	7,849 3.3%	4,825 3.0%	4,082 2.8%	4,376 3.0%	3.0%
(5) General	13,947 7.1%	18,315 7.8%	11,259 7.0%	9,525 6.4%	10,209 7.1%	7.1%
(6) Taxes, Licenses, and Fees	4,793 2.4%	5,859 2.5%	4,000 2.5%	3,304 2.2%	2,700 1.9%	2.3%
(7) Subtotal	72,780 33.2%	75,199 34.4%	53,387 33.7%	49,941 32.6%	49,336 34.4%	35.7%
(8) Unallocated Loss Adjustment Expenses	5,542 2.8%	-7,126 -3.0%	4,309 2.7%	3,488 2.4%	1,671 1.2%	2.1%
(9) Profit Load						9.2%
(10) Total Expenses						47.0%
(11) Permissible Loss and Allocated Loss Adjustment Expense Ratio						53.0%

**Notes:**

Based on IEE for Medical Malpractice using Fireman's Fund Insurance Companies consolidated data.

(3) Selected is planned 2007 Dental commission rate to be paid.

(11) = 1.00 - (10)

**Exhibit 7**  
**The American Insurance Company**

Fireman's Fund Consolidated  
Professional Liability  
Calculation of Underwriting Profit Provision

		<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>Selected</u>
(1)	Earned Premium (AS Page 4, Line 1, Col 1)	\$4,084,898,912	\$2,624,676,440	\$3,951,255,938	\$4,210,707,223	\$4,327,051,937	
(2)	Investable Assets (AS Page 2, Line 10, Col 3)	\$10,562,407,685	\$10,561,863,002	\$10,808,273,330	\$9,725,795,497	\$9,516,052,182	
(3)	Surplus (AS Page 3, Line 35, Col 1)	\$1,945,394,297	\$2,239,490,119	\$2,858,865,888	\$2,930,106,208	\$2,850,201,410	
(4)	Net Investment Income Earned (AS Page 4, Line 9, Col 1)	\$446,350,525	\$472,473,418	\$511,123,917	\$483,732,059	\$476,477,702	
(5)	Net Realized Capital Gains (AS Page 4, Line 10, Col 1)	(\$215,687,471)	(\$208,169,492)	(\$9,147,171)	\$10,758,814	\$41,408,600	
(6)	Premium-to-Surplus ratio (1) / (3)	2.10	1.17	1.38	1.44	1.52	<b>1.30</b>
(7)	Professional Liability Occurrence Premium-to-Capital ratio						<b>0.91</b>
(8)	Premium-to-Assets ratio (1) / (2)	0.39	0.25	0.37	0.43	0.45	<b>0.34</b>
(9)	Target After-Tax ROE						<b>15.0%</b>
(10)	Tax Rate						<b>35.0%</b>
(11)	Return on Assets [(4) + (5)] / (2)	2.2%	2.5%	4.6%	5.1%	5.4%	<b>5.5%</b>
<b>(UW Income + Investment Income) x (1 - Tax Rate) = (Allocated Capital) x (Target After-Tax ROE)</b>							
(12)	UW Profit Provision [(9) / (7)] / [1 - (10)] - [(11) / (8)]						<b>9.2%</b>

**FIREMAN'S FUND INSURANCE COMPANIES  
DENTAL PROFESSIONALS PROGRAM BUSINESS LIABILITY PLAN  
RATE RULE MANUAL MEMORANDUM  
ARKANSAS**

In conjunction with the rate filing, we have redesigned our State Exception Pages as attached.

As you will see, we have made modifications to section **II. Dental Practitioner Rates**. These changes were made in accordance with our proposed rate filing as explained in the Actuarial Memorandum.

To the State Exception Pages, you will also note that we have added an explanation of our proposed filing. This can be found on page 3 of the State Exception Pages, under section **III. Amended Rules**.

You will find enclosed the State Exception Pages for the state of Arkansas for your review.

# NAIC LOSS COST DATA ENTRY DOCUMENT

1.	This filing transmittal is part of Company Tracking #	TANE DPL AR 11 07 RR
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2.	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number	N/A
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3.	Company Name		Company NAIC Number	
	A.	The American Insurance Company	B.	0761-21857

4.	Product Coding Matrix Line of Business (i.e., Type of Insurance)		Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)	
	A.	Medical Malpractice	B.	Dental Professional Liability

5.	(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	FOR LOSS COSTS ONLY							
				(D)	(E)	(F)	(G)	(H)			
				Expected Loss Ratio	Loss Cost Modification Factor	Selected Loss Cost Multiplier	Expense Constant (If Applicable)	Co. Current Loss Cost Multiplier			
	Dental - Occurrence	27.9%	14.4%								
	Dental - Claims-made	82.5%	14.4%								
	TOTAL OVERALL EFFECT	74.8%	14.4%								

6.		5 Year History	Rate Change History				
Year	Policy Count	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)	State Loss Ratio	Countrywide Loss Ratio
2001	38			1.781	0.000	0.0%	101.7%
2002	39			6.304	0.000	0.0%	93.1%
2003	68	15.0%	5/15/2003	23.464	0.000	0.0%	109.0%
2004	40			28.685	70.856	247.0%	70.3%
2005	46	26.1%	10/19/2006	29.328	0.000	0.0%	95.0%

7.	Expense Constants	Selected Provisions
	A. Total Production Expense	26.3%
	B. General Expense	7.1%
	C. Taxes, License & Fees	2.3%
	D. Underwriting Profit & Contingencies	9.2%
	E. Other (explain): ULAE	2.1%
	F. TOTAL	47.0%

8.	Apply Lost Cost Factors to Future filings? (Y or N)	N/A
9.	Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable):	50%
10.	Estimated Maximum Rate Decrease for any Insured (%). Territory (if applicable):	N/A

*SERFF Tracking Number:*      *FFDC-125273096*                      *State:*                      *Arkansas*  
*Filing Company:*              *The American Insurance Company*              *State Tracking Number:*      *AR-PC-07-026012*  
*Company Tracking Number:*      *TANE DPL AR 11 07 RR*  
*TOI:*                      *11.0 Medical Malpractice - Claims*              *Sub-TOI:*                      *11.0030 Dentists*  
   *Made/Occurrence*  
*Product Name:*              *Dental Professional Liability*  
*Project Name/Number:*      *2007 Dental RR Filings/TANE DPL 2007 RR*

Attachment "2007 Malpractice Premium Comparision Survey Form AR.xls" is not a PDF document and cannot be reproduced here.